



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 4, 2000

### **H.R. 3171** **National Health Museum Site Selection Act**

*As ordered reported by the House Committee on Transportation and Infrastructure  
on March 23, 2000*

H.R. 3171 would permit the General Services Administration (GSA) to sell a parcel of excess real property in the District of Columbia within five years of the bill's enactment to the National Health Museum, Incorporated. CBO estimates that enacting H.R. 3171 is unlikely to have a significant impact on the federal budget. Because the bill could increase offsetting receipts (a form of direct spending) from the sale of federal real property, pay-as-you-go procedures would apply; but we think it is unlikely that there would be a significant change in such receipts under H.R. 3171.

H.R. 3171 would require that the National Health Museum pay fair market value to acquire the property in Washington, D.C., as well as establish a satellite museum on Ellis Island, New Jersey. The corporation either could construct a new facility on Ellis Island or use an existing National Park Service (NPS) facility. The corporation would be responsible for the costs associated with operating and maintaining the satellite museum. Under the bill, property sold to the National Health Museum would revert to the federal government if the corporation either uses it for an unauthorized purpose or fails to commence work on the satellite museum. In addition, H.R. 3171 would direct that GSA deposit into the Federal Buildings Fund any proceeds from the sale of property. Spending of such sums, however, would be subject to annual appropriation.

If a suitable piece of property becomes available in the District of Columbia within five years of the bill's enactment, H.R. 3171 could increase offsetting receipts from the sale of federal real property. However, we expect that GSA would probably sell any such property under current law. In addition, based on information from the NPS, CBO estimates that, if the National Health Museum establishes a satellite museum on Ellis Island, the annual impact on the federal budget would be minor. Any rental payments provided to the NPS could be spent without further appropriation action.

The bill contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on the budgets of state, local, or tribal

governments. The District of Columbia could benefit under this bill because public land currently exempt from property tax would become taxable after the transfer. The outcome would depend on whether the District of Columbia grants the new owner a tax exemption based on the proposed use of the property.

H.R. 3171 would create a new private-sector mandate by requiring the National Health Museum, a nonprofit corporation, to make annual reports to the GSA and two Congressional committees. CBO estimates that the costs of this mandate would be well below the threshold established in UMRA (\$109 million in 2000, adjusted annually for inflation).

The CBO staff contacts for this estimate are John R. Righter (for federal costs), Susan Sieg Tompkins (for the state and local impact), and John Harris (for the private-sector impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.